

## INDUSTRIES AND COMMERCE.

To assist the industries of the colony, the Government have been making inquiries as to markets for our surplus products. Great Britain imports £18,000,000 worth of timber. Of this amount some nine millions are sent from Russia, Germany, and Scandinavia. Germany spends annually four millions on its forests, and employs 500,000 men in forestry. An expert was sent to London to push the timber trade, and by the reports received from the Agent-General there is no doubt that a considerable trade can be opened up in our New Zealand woods, for street-paving and for carriage-building, furniture-making, and other uses. Trial shipments have been sent to London from Auckland and the west coast of the South Island, and a shipment is now being despatched to the Cape of Good Hope. It is confidently expected that these may prove the forerunners of large orders.

By the courtesy of the Victorian Government, copies of the report of the Commissioners sent by them to inquire into the prospects of trade with India, China, Japan, &c., were obtained, and there are good grounds for believing that many of our products will find a market in those countries. The result of the visit of the Victorian Commissioners has been that large orders have been received by that colony for various articles, including scoured wool, butter, cheese, lard, bacon and hams, jams and jellies, canned fruits, and preserved meats. All these can be exported in large quantities from New Zealand; and it only remains for negotiations to be opened up and transit at a reasonable rate provided. When it is mentioned that the imports to New Zealand from India in 1893 amounted to over £210,509, the question of obtaining return cargoes from that country does not seem a very difficult one to solve.

## LAND- AND INCOME-TAX.

The revenue collected during the year was £370,079, being £20,079 in excess of the estimate. The amount of land-tax outstanding on 31st March, 1895, was £472, all of which was made up of sums for various reasons not immediately recoverable.

Considerable attention was given by the department during the year to the revision of the returns of income made since the tax came into force. Very many of these returns were found to be wrong, and their correction has resulted in the addition to the revenue of nearly the entire surplus over the estimate.

The work of reviewing the land-values fixed in 1891 was undertaken soon after the Amendment Act of 1894 was passed. Some shrinkage in values was expected, but this has not been so great as was anticipated. The exact figures are not yet available, as some of the Boards have only just concluded their sittings; but the reductions in values warrant me in estimating that the combined taxes will not produce more this year than £350,000.

It has been the opinion of the Government for some time that Native lands occupied by European tenants should, in respect of the interest of the Maori owners, be subject to some contribution by way of land-tax, seeing that these lands have benefited equally with the other lands of the colony by the general progress of the country, and the expenditure of money, both public and private, within it. The Government therefore determined, as the lands were not exempted by law, to collect, of the large sum owing, the ordinary land-tax for last year only from the tenants, leaving them to recover from the owners. A considerable sum has been collected, but several tenants have been advised—erroneously, as I believe—that their power of recovery is not clear. I propose to remedy any possible defect by an amendment of the Act, which I shall shortly submit to the House.

Former Colonial Treasurers in past years collected taxes at dates to suit the requirements of the colony, and this without the adverse and extraordinary criticism to which my action last year was subjected. However, as unexpected animadversions, calculated to seriously affect the financial position of the country, were made against the alteration in the date of the collection of the land-tax last year, I deem it essential to take steps to prevent the possibility of such